

To: Energy and Telecommunications Interim Committee

From: David Hoffman, NorthWestern Energy

Date: August 2, 2017

Re: Suggested statutory changes regarding PSC overreach

Dear Chair McNally and Committee members:

Chair McNally asked for some specific proposed statutory changes in regard to PSC activities that may exceed its statutory obligations to regulate, rather than create energy policy. Here are some suggestions:

1. Reinforce the policy of HB 25 and re-regulation which allowed and encouraged re-creation of a vertically-integrated utility and the regulatory treatment of utility-owned generation; reject the PSC concept of 'symmetry';
2. Require a legislative audit of the PSC every four (4) years, including consultation with stakeholders;
3. 69-1-110 [Conduct of commission business] Require commission compliance with the Montana code of judicial conduct in its quasi-judicial role;
4. 69-1-110 [Conduct of commission business] Require commission to use hearing examiners from department of justice agency legal service in investigative or discovery activities in any matter;